

IRISH LAND PURCHASE FUND.

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ACCOUNTS, 1906-1907.

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ACCOUNTS of RECEIPTS and PAYMENTS by the COMMISSIONERS for the REDUCTION of the NATIONAL DEBT in respect of the Capital and Income of the IRISH LAND PURCHASE FUND, in the Year ended 31st March 1907, together with the REPORT of the COMPTROLLER and AUDITOR-GENERAL thereon.

(Presented pursuant to 3 Eliz. 7. cap. 37. sec. 38.)

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Ordered, by the House of Commons to be Printed,  
14 April 1908.

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LONDON:  
PRINTED FOR HIS MAJESTY'S STATIONERY OFFICE,  
BY EYRE AND SPOTTESWOODE,  
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## IRISH LAND PURCHASE FUND.

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### EXPLANATORY NOTE.

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The Irish Land Purchase Fund is a special fund placed under the control of the National Debt Commissioners for the purposes of the Irish Land Act, 1903. As this special fund possesses somewhat peculiar features, a short explanation of these features may be desirable.

The chief means of raising money for the purposes of the Irish Land Act, 1903, is by the creation of guaranteed 2½ per cent. Stock. This stock is issued for two distinct objects, viz. :—

- (a) To provide cash for advances under the Act - Section 23
- (b) To provide cash for the payment of a bonus of 12 per cent. to vendors - - - - Section 47

Cash for advances can also be obtained—

- (c) By temporary borrowing - - - - Section 30
- (d) By using the sinking fund for further advances - Section 36

(Provision is made in the Act (Section 36) for the two cases of stock being issued at a discount and at a premium. The issues already made have been at a considerable discount, and a further reference to the case of an issue at a premium does not appear to be necessary at present.)

(a) The stock issued for the purpose of raising money for advances is divided into two parts. In the first place, stock of equal nominal amount to the cash realized by the issue is assigned to the advances account, as the liability for which the cash advanced for land purchase is to provide (Section 36); and the remaining part of the issue is set up as a liability for which an annuity chargeable on the Guarantee Fund is the corresponding asset (Section 36 (6)).

(b) The stock issued for the purpose of realising money for payment of the bonus of 12 per cent. is a liability for which Parliament votes both the interest and sinking fund (Section 47 (2)).

While, therefore, the issue of the Stock is for two objects, the provision for the payment of the dividends and sinking fund in respect of the same comes from three different sources.

It will be seen that the Irish Land Purchase Fund practically comprises three distinct accounts :—

Account I.—Called "Advances Account," in which the capital raised (or stock of equal nominal amount when cash is raised by this means) has a corresponding asset in the annuities payable by borrowers, with the Guarantee Fund as security for their due payment.

Account II.—Called "Excess Stock Account," in which the liability comprises the additional amount of stock issued to raise cash for advances, in consequence of issues being made at a discount, the corresponding asset being an annuity chargeable on the Guarantee Fund.

Account III.—Called "Land Purchase Aid Fund," in which the stock issued to provide the bonus is met by an annuity chargeable on Votes of Parliament.

The annuities payable in each case provide for interest on the capital together with an addition of  $\frac{1}{2}$  per cent. per annum by way of sinking fund for accumulation.

In addition, therefore, to the Irish Land Purchase Fund, consisting of three distinct accounts, each of these accounts contains within itself an accumulation account to provide for the ultimate extinction of the capital liability.

Each of the three accounts above referred to is given in a separate column, the total of such individual accounts forming the Irish Land Purchase Fund.

The "Advances Account" now includes the transactions under the Labourers (Ireland) Act, 1906, 6 Edw. 7, cap. 37. Under section 15 of the same Act, the unexpended balance (98,478*l.*) on the 31st March, 1906, of the amount received from the Ireland Development Grant is retained as a working balance, and is included in the balance shown on the Income Account (Advances).

In addition to the accounts of receipts and payments, the statement of securities on which the capital has been raised and the balance sheet, two supplementary accounts are given showing (1) the detail of each accumulation account, and (2) the amounts drawn from and repaid to the Guarantee Fund.

National Debt Office.

*G. Hervey,*  
Comptroller-General.

## IRISH LAND

ACCOUNTS of RECEIPTS and PAYMENTS by the National Debt Commissioners  
of the IRISH LAND PURCHASE

## CAPITAL

## RECEIPTS.

—	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	TOTAL.
Balances on 31st March 1906	£ 6,511,175 12 4	£ 113 12 1	£ 4,652 16 0	£ 4,766 3 1
Money raised :-				
By creation of Guaranteed 2½ per Cent. Stock.	—	—	621,300 6 7	7,122,584 18 11
By loans from Sinking Fund.	61,600 0 0	—	—	61,600 0 0
By temporary borrowings -	675,000 0 0	—	—	675,000 0 0
Sinking Fund receipts -	55,044 15 1	10,002 18 9	8,008 3 7	73,055 15 5
Cash proceeds of securities sold and paid off, viz. :-				
Temporary investments :-				
For 2,190,000/- Treasury Bills sold and paid off.	2,157,669 11 11	—	—	2,157,669 11 11
For 290,000/- Treasury Bills sold and paid off.	—	—	276,400 12 1	276,400 12 1
For 856,000/- Exchequer Bonds sold.	854,595 18 9	—	—	854,595 18 9
For 171,000/- do. -	—	—	170,861 17 6	170,861 17 6
Balance overdrawn 31st March 1907.	121,250 4 7	—	—	121,250 4 7
	£ 10,436,336 0 8	10,116 10 10	1,081,182 15 9	11,527,553 7 3

## INCOME

Balances on 31st March 1906	£ 52,650 3 7	—	9 8 1	£ 52,659 11 8
From Irish Land Commission	310,063 4 0	273 10 6	61,630 19 7	381,987 14 1
„ Guarantee Fund -	75,705 19 1	48,753 3 3	—	124,459 2 4
Interest on investments -	32,481 11 8	39 19 5	5,049 8 3	37,570 19 4
From Ireland Development Grant, for portion of grant allocated to land purchase for year ended 31st March 1907.	50,000 0 0	—	—	50,000 0 0
Fraction of pence saved in the payment of dividends.	1 6 10	—	0 2 6	1 9 4
Arrears of annuity instal- ments and interest recovered.	13,250 8 10	—	—	13,250 8 10
	£ 654,162 14 0	49,066 18 2	46,689 18 5	629,899 5 7

## PURCHASE FUND.

in the Year ended 31st March 1907, in respect of the CAPITAL and INCOME FUND, per 3 Edw. VII. c. 37.

## ACCOUNT.

## P A T M E N T S.

	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
Balances overdrawn 31st March 1906.	£ 46,048 3 8	£ —	£ —	£ 46,048 3 8
Advanced to Irish Land Commission.	5,982,048 11 0	—	671,488 4 9	6,653,491 15 9
Temporary borrowings (Capital Account) repaid.	673,000 0 0	—	—	673,000 0 0
Cash invested, viz. :—				
For Sinking Fund :—				
Interest to Capital Account for further advances.	44,000 0 0	9,700 0 0	7,900 0 0	61,600 0 0
In purchase of 19,000/- guaranteed 2½ per Cent. Stock.	11,000 12 6	—	—	11,000 12 6
Temporary investments :—				
In purchase of—				
2,320,000/- Treasury Bills	2,474,788 19 9	—	—	2,474,788 19 9
130,000/- " "	—	—	138,123 3 6	138,123 3 6
1,205,000/- Exchequer Bonds,	1,203,364 13 9	—	—	1,203,364 13 9
264,000/- Exchequer Bonds	—	—	263,536 17 6	263,536 17 6
Balances on 31st March 1907.—	—	416 10 10	129 10 0	546 0 10
	£ 10,436,336 0 8	10,116 10 10	1,061,132 15 9	11,597,585 7 3

## ACCOUNT.

Dividends on Guaranteed 2½ per Cent. Stock.	383,758 1 6	48,753 10 11	42,348 4 8	474,754 17 1
Interest, on Sinking Fund securities, transferred to Capital Account.	1,040 5 8	413 1 1	250 19 2	1,504 5 6
Interest on temporary borrowings (Capital Account).	692 17 4	—	—	692 17 4
Net discount on instalments paid in anticipation in respect of issues of Guaranteed 2½ per Cent. Stock.	3,865 14 3	—	396 3 10	3,961 18 0
Interest accrued on Exchequer Bonds at date of purchase.	3,919 4 1	—	924 18 1	4,843 17 2
Recovered arrears paid to Guarantee Fund.	14,828 14 3	—	—	14,828 14 3
Balances on 31st March 1907.—	126,348 17 5	0 1 2	2,869 17 8	129,212 16 3
	£ 594,142 14 0	49,056 19 2	46,689 18 5	629,899 6 7

## GUARANTEED 2½ PER CENT. STOCK ACCOUNT,

—	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Amount of Stock written off and cancelled in the year.	3,856 5 1	757 12 11	—	6,693 18 5
Balance of Stock remaining on 31st March 1907.	17,138,238 4 7	2,161,616 17 11	1,901,444 8 9	21,191,299 11 3
	£ 17,134,094 9 3	2,162,354 10 10	1,901,444 8 9	21,197,893 9 3

## "LOANS FROM SINKING FUND" ACCOUNT, for

Balance of Loans from Sinking Fund to Capital (Advances) Account remaining on 31st March 1907.	103,600 0 0	—	—	103,600 0 0
	£ 103,600 0 0	—	—	103,600 0 0

## IRISH LAND PURCHASE FUND,

## LIABILITIES.

—	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
CAPITAL ACCOUNT—				
Value, at par, of amount of Guaranteed 2½ per Cent. Stock remaining.	17,128,233 4 7	2,161,616 17 11	1,901,444 8 9	21,191,299 11 3
Value, at par, of amount of "Loans from Sinking Fund" remaining.	103,600 0 0	—	—	103,600 0 0
SINKING FUND ACCOUNT—				
Balances remaining on 31st March 1907.	162 15 5	416 10 10	201 19 7	781 4 10
INCOME ACCOUNT—				
Balances remaining on 31st March 1907.	126,342 17 5	0 1 2	2,869 17 8	129,212 16 3
	£ 17,858,348 17 5	2,162,083 9 11	1,904,516 6 0	21,424,893 13 4

for the Year ended 31st March 1907.

—	Advances Account.	Excess Stock	Land Purchase	Total.
		Account.	Aid Fund.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balance of Stock on 31st March 1906.	10,622,918 17 4	1,373,580 8 2	1,901,444 8 9	13,197,893 9 5
Amount of Stock created in the year.	6,511,176 12 4	788,824 7 8	700,000 0 0	8,000,000 0 0
	£ 17,134,094 9 8	2,162,384 10 10	1,901,444 8 9	21,197,893 9 5

for the Year ended 31st March 1907.

Balance of Loans on 31st March 1906.	42,000 0 0	—	—	42,000 0 0
Amount of Loans from Sinking Fund to Capital (Advances) Account in the year.	61,600 0 0	—	—	61,600 0 0
	£ 103,600 0 0	—	—	103,600 0 0

## BALANCE SHEET, 31st MARCH 1907.

ASSETS.					
—	Advances Account.	Excess Stock	Land Purchase	Total.	
		Account.	Aid Fund.		
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
Accumulated amount of Sinking Fund.	79,000 6 6	18,486 6 8	15,101 19 7	112,688 12 4	
Outstanding amount to be accumulated with Sinking Fund payments.	16,499,782 3 1	2,143,030 11 8	1,793,739 18 9	20,433,552 18 6	
Temporary investments:—					
400,000L. Treasury Bills	425,700 0 0	—	—	425,700 0 0	
250,000L. Exchequer Bonds	348,768 15 0	—	—	348,768 15 0	
90,000L. do.	—	—	90,675 0 0	90,675 0 0	
Cash at Banks of England and Ireland.	5,092 12 10	416 12 0	2,999 7 8	8,408 12 6	
	£ 17,858,843 17 5	2,162,038 9 11	1,901,416 6 0	21,424,893 18 4	

National Debt Office,  
31st March 1907.G. Hersey,  
Comptroller General.

I certify that this Account has been examined under my directions, and is correct.

Examined,  
C. H. Archibald.John A. Kempe  
Comptroller-General of His Majesty's Exchequer, and  
Auditor-General of Public Accounts.

**SUPPLEMENTARY ACCOUNTS.**

**Borrowed Funds Accumulation Accounts as 31st March 1907.**

	Advance amount.	Money mark amount.	Last Period and Date.	Total.
4,000/- for Std. Dimension 10' x 9', Stock up per Letter in Capital (Advance) Account	£ 2,217 10 1	900 10 1	£ 2 10 0	£ 2,217 10 1
Less on Capital (Advance) Account	70,000 0 0	10,000 0 0	10,000 0 0	100,000 0 0
Over-reduced	600 10 0	600 10 0	600 10 0	600 10 0
<b>Standard value of Securities held</b>	<b>£ 70,000 0 0</b>	<b>10,000 0 0</b>	<b>10,000 10 0</b>	<b>110,000 10 0</b>

**Guaranteed Funds Accounts for the Year ended 31st March 1907.**

Received from Guarantees Fund	Pay to Guarantees Fund
Balances as 31st March 1906	£ 10,000 0 0
For excess in respect of advances (Capital 10,000/- to 10/-) (Balances 10,000/- to 10/-)	10,000 0 0
For deficiency of Income	10,000 10 10
Advance in respect of Reserve Stock (Capital 10,000/- to 10/-) (Balances 10,000/- to 10/-)	10,000 10 10
	Balances as 31st March 1907
	£ 100,000 0 0
	£ 100,000 0 0

Received from Office,  
31st March 1907.

G. H. Morris,  
(Comptroller of Accounts).

I certify that this statement has been examined under my direction, and is correct.

G. H. Morris,  
Comptroller of the Proprietary's Bankings, and  
Authorised to Sign Accounts.

John J. Hayes,  
Comptroller-Comptroller of the Proprietary's Bankings, and  
Authorised to Sign Accounts.

## IRISH LAND PURCHASE FUND.

### REPORT OF THE COMPTROLLER AND AUDITOR-GENERAL.

1. The Account of the Capital and Income of the Irish Land Purchase Fund, prepared by the Commissioners for the Reduction of the National Debt, for the year ended 31st March 1907 has been examined by my Department and is presented to Parliament in accordance with Section 33 of the Irish Land Act, 1903.

2. The account shows the Stock created, and the money raised, under Sections 28 and 47 of the Act, by the issue of Guaranteed 2½ per cent. Stock. It also shows the money advanced to the Irish Land Commissioners for the purposes of the Act, the amount received through the Land Commissioners for Sinking Fund purposes and for payment of dividends, and the sum received under Section 38 from the Ireland Development Grant, together with the temporary investments, and the working of the various Sinking Funds.

3. The total amount of Stock created to 31st March 1907 was 21,201,444L 8s. 9d., of which 17,137,226L 14s. 4d., was for the Advances Account, 2,162,773L 5s. 8d. for the Excess Stock Account, and 1,901,444L 8s. 9d. for the Land Purchase Aid Fund.

The amount of Stock purchased out of Sinking Fund balances and cancelled to 31st March 1907, was on Advances Account 8,988L 9s. 9d., on Excess Stock Account 1,156L 7s. 9d., and the Balance of Stock remaining on 31st March 1907 on all Accounts was 21,191,288L 11s. 3d.

4. A prefatory Note attached to the Account explains the three heads under which it has been prepared by the National Debt Commissioners, and also shows the amount, 98,478L, stated to have been the unexpended balance on 31st March 1906 of the amount received from the Ireland Development Grant, which is retained as a working balance under the terms of Section 15 of the Labourers (Ireland) Act, 1906.

### CAPITAL ACCOUNT.

5. The money raised by the creation of Stock during the year, 7,132,384L 18s. 11d., was supplemented by loans of 61,000L from the Sinking Fund; and a sum of 5,675,000L was temporarily borrowed and repaid.

6. Issues to the Irish Land Commissioners for the purposes of the Land Purchase Act amounted in the year 1906-07 to 6,653,491L 15s. 9d., of which 5,982,048L 11s. was for the Advances Account and 671,443L 4s. 9d. for the Aid Fund. The total advances to the Irish Land Commissioners for the Land Purchase Aid Fund since the Act has been in force amounted on the 31st March 1907 to 1,594,009L 15s. 10d.

7. The amount carried to the Sinking Funds during the year in respect of Receipts, advances and interest on Securities was 73,055L 15s. 5d., including on the Advances Account 55,044L 13s. 1d., on the Excess Stock Account 10,002L 18s. 9d., and on the Aid Fund 8,008L 3s. 7d.

8. The temporary investments of cash were, on 31st March 1907, represented by Treasury Bills, 440,000L, held for the Advances Account, and Exchequer Bonds, 443,000L, of which 350,000L was also held for the Advances Account, and 93,000L for the Aid Fund.

### INCOME ACCOUNT.

9. In addition to the amounts received from the Irish Land Commission and the Guarantee Fund for the purposes of the Income Accounts, the receipts included a sum of 50,000L, being a fourth and last payment, from the Ireland Development Grant, in accordance with Section 38 of the Irish Land Act, 1903, and 37,570L 19s. 4d. as Interest on Investments.

## AID FUND.

## Aid Fund.

10. A sum of 41,380*l.* 0*s.* 5*d.* for dividends on the Aid Fund Stock, together with 7,757*l.* 4*s.* 5*d.* for the Sinking Fund, was provided by the Vote for the Irish Land Commission, Class III, Vote 16, 1906-07.

## SINKING FUNDS.

## Sinking Funds.

11. Out of the total receipts for the Sinking Funds, viz.:—

	£	s.	d.
To 31st March 1906	-	-	47,740 17 3
In 1906-07	-	-	73,055 15 5
	<hr/>	<hr/>	<hr/>
	120,796	12	8

a total amount of 103,600*l.* was loaned to the Capital Account for further advances, 16,415*l.* 6*s.* 10*d.* was applied to the purchase of Guaranteed 2*½* per Cent. Stock, and the balance of cash 781*l.* 5*s.* 10*d.* was uninvested.

*John A. Kemp,*

Comptroller-General of the Receipt and Issue  
of His Majesty's Exchequer and  
Auditor-General of Public Accounts.

Exchequer and Audit Department,  
31st March 1906.

